

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
FEBRUARY 20, 2006**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, February 20, 2006.

The meeting was called to order by Chairman Greg A. Krodel who presided.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Greg A. Krodel – Chairman
Mike Harder – Vice Chairman
Ken Sendelweck – Secretary
Michael A. Schwenk – Electric Commissioner
Jeffrey S. Theising – Water Commissioner
Edward J. Kreilein – Wastewater Commissioner
Alex Emmons – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Thomas A. Lents – Wastewater Manager
Michael A. Oeding – Gas & Water Manager
Kenneth R. Schultz – Business Manager
Bud Hauersperger – General Manager
Sandy Hemmerlein – City Attorney

PLEDGE OF ALLEGIANCE (A-21)

Chairman Greg Krodel led the Pledge of Allegiance.

BID OPENING: MILL STREET WATER LINE RELOCATION PROJECT (A-32)

Sandy Hemmerlein stated the notice to bidders was published in the Herald on February 3rd and February 10th. Hemmerlein opened the bids and read them aloud as follows:

- | | | |
|----|-----------------------------|--------------|
| 1. | Lechner, Inc.
Jasper, IN | \$108,984.00 |
|----|-----------------------------|--------------|

The bid included a bid bond, Form 96, a signed non-collusion affidavit. Hemmerlein said she didn't immediately see any financial statements.

- | | | |
|----|-----------------------------------|--------------|
| 2. | D-Lite Excavating
Evanston, IN | \$167,886.89 |
|----|-----------------------------------|--------------|

The bid included a bid bond, Form 96, a signed non-collusion affidavit, and financial statements.

3. Dieg Bros. Construction \$184,761.00
Evansville, IN

The bid included a bid bond, Form 96, a signed non-collusion affidavit, and financial statements.

4. Durcholz Excavating \$97,750.00
Jasper, IN

The bid included a bid bond, Form 96, a signed non-collusion affidavit, and financial statements.

5. Mike Huddleston Construction \$154,997.98
English, IN

The bid included a bid bond, Form 96, a signed non-collusion affidavit, and financial statements.

6. Mehringer Plumbing, Heating & Air Cond. \$144,900.00
Jasper, IN

The bid included a bid bond, Form 96, a signed non-collusion affidavit, and financial statements.

City Engineer Chad Hurm recommended taking the bids under advisement and awarding the contract at a special meeting in approximately 2 weeks.

Ed Kreilein made a motion for Chad Hurm and Mike Oeding to take the bids under advisement and to award the contract at a special meeting to be scheduled. Jeff Theising seconded the motion. Motion approved, 7-0.

QUOTE OPENING: AIR COMPRESSOR – WATER (A-194)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

1. Brake Supply Co., Inc. \$4,726.00
Evansville, IN
2. Air Systems, Inc. \$6,081.00
Louisville, KY

Mike Oeding asked for Board approval to accept and proceed with the low quote, providing it meets specifications.

Mike Schwenk made a motion to allow Mike Oeding to accept the low quote from Brake Supply for \$4,726.00, providing it meets the specifications. Ken Sendelweck seconded the motion. Motion approved, 7-0.

QUOTE OPENING: FILTER CARBON CAP REPLACEMENT (A-278)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

- | | | |
|----|--|--|
| 1. | Reynolds
Orleans, IN | \$73,141.00 not including disposal
\$110 per ton for disposal |
| 2. | All Service Contracting Corp.
Decatur, IL | \$61,853.00 including disposal
-\$6,000.00 if owner disposes |

Alex Emmons made a motion for Mike Oeding to take the quotes under advisement and report back at the next meeting. Jeff Theising seconded the motion. Motion approved, 7-0.

QUOTE OPENING: PORTABLE HYDRAULIC POWER PACK – WASTEWATER (A-346)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

- | | | |
|----|--|-------------|
| 1. | Gudorf Supply Co.
Jasper, IN | \$4,118.05 |
| 2. | Consolidated Electrical Distributors
Jasper, IN | \$10,197.00 |

Mike Harder made a motion for Tom Lents to take the quotes under advisement and report back at the next meeting. Ed Kreilein seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (A-381)

Chairman Greg Krodel presented the minutes of the January 16, 2006 meeting and there being no corrections or amendments asked for a motion to approve. Alex Emmons made a motion to approve the minutes of the January meeting as presented. Mike Schwenk seconded the motion. Motion approved, 7-0.

REQUEST TO EXTEND WATER LINE OUTSIDE CITY LIMITS (A-395)

Ken Brosmer came before the Board to request the extension of water to an area east of Meridian Rd. and north of State Road 162, which is in the process of being annexed. Brosmer said there are 3 upcoming projects in the area and after talking to Sandy Hemmerlein it would probably make more sense to ask for Board approval tonight to extend water and sewer to those areas instead of coming back for approval for each project individually. Brosmer said the current plans include a site for Knies Construction, Dubois REC, and a church.

Brosmer presented maps showing the area.

Chairman Krodel stated the line extensions would be at the owners expense and there would be a 25% surcharge if billing starts prior to the annexation.

Mayor Schmitt commented that residents on A St., B St., and C St. are presently not served by City sanitary sewer and we need to keep that in mind when deciding what type of sewer should be installed in this area.

Mike Schwenk made a motion to allow the extension of City water to the area proposed to be annexed, subject to annexation waivers being signed. Jeff Theising seconded the motion. Motion approved, 6-0, with Chairman Krodel abstaining due to his employment with the neighboring property owner.

Ken Sendelweck made a motion to allow the extension of City sanitary sewer to the area proposed to be annexed, subject to annexation waivers being signed. Mike Harder seconded the motion. Motion approved, 6-0, with Chairman Krodel abstaining due to his employment with the neighboring property owner.

Jerry Schitter commented that through an arrangement with Dubois REC, Jasper Municipal Electric would provide electric service to the new Knies Construction property, but not to the other 2 project areas.

STACK PAINTING – POWER PLANT (A-636)

Windell Toby reported the quote opening for stack painting at the Power Plant would be delayed until the March meeting due to a change in the type of paint.

ELECTRIC PLANNING COMMITTEE REPORT (A-649)

Mike Schwenk, Chairman of the Electric Planning Committee, stated the committee did not meet during the past month.

WATER SCADA UPGRADE (A-650)

Mike Oeding presented a quote from Toric Engineering for \$17,800.00 for a water SCADA upgrade.

Ed Kreilein made a motion to allow Mike Oeding to proceed with the SCADA upgrade as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

BEAVER LAKE DRAIN CLOSED FOR THE SEASON (A-664)

Mike Oeding stated he wanted to put out a notification to the public that the drain at Beaver Lake has been closed and all dock work should be completed promptly because they do not plan on re-opening it.

NGM NATURAL GAS TRANSPORTATION CONTRACT (A-668)

Mike Oeding reported the NGM transportation contract runs through 2021 on the ANR pipeline. Oeding said several contracts have been entered into over the years and this is a restatement of those contracts. There is now one version that supercedes all past versions.

UPDATE ON STATE ROAD 56 PROJECT (A-688)

Mike Oeding reported the gas pipe is on site. Some welding has been done. Machinery will be moved on site and the pipe will be installed when the ground dries out some.

GAS PLANNING COMMITTEE REPORT (A-692)

Alex Emmons, Chairman of the Gas Planning Committee, reported the committee met today at 1:00 PM to discuss several natural gas contracts.

Emmons stated the committee recommended approval of the NGM transportation contract. He explained it is a consolidation of several contracts, but there is no change in price.

The committee also reviewed the natural gas purchase contract with Columbus Oilfield. Emmons stated there were several changes made to the contract, which will be presented to Columbus Oilfield, but the committee recommended moving forward with the contract. Mike Oeding stated this contract is for our local natural gas supply on the southwest side of Jasper. Oeding explained the present contract, which expires 4-1-06, states the price to be paid is 90% of the Henry Hub price, not to exceed \$7.00. The new 5-year contract price per decatherm would be 85% of the Henry Hub price as listed in the Wall Street Journal for the final day of each month with no ceiling cap or minimum (floor) on the price, and no transportation costs.

Jeff Theising made a motion to accept and sign the NGM natural gas transportation contract. Mike Harder seconded the motion. Motion approved, 7-0.

Ed Kreilein made a motion to accept the new 5-year contract with Columbus Oilfield as presented, subject to a final signed contract. Ken Sendelweck seconded the motion. Motion approved, 7-0.

Emmons reported the committee also briefly reviewed gas utility projects.

WATER PLANNING COMMITTEE REPORT (A-763)

Jeff Theising, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

APPROVAL TO REPLACE PLANT MAINTENANCE PERSON – WASTEWATER (A-765)

Tom Lents requested Board approval to start the hiring process to replace a plant maintenance employee who recently quit.

Ed Kreilein made a motion to allow Tom Lents to start the hiring process to replace a plant maintenance employee. Mike Schwenk seconded the motion. Motion approved, 7-0.

UPDATE – LIFT STATIONS UPGRADE PROGRESS (B-10)

Tom Lents reported the Portersville lift station has been completed.

The pumps for the Northwood lift station were delivered a couple of weeks ago. E & K Electric should get a lot of electrical work done this week. The pumps should be installed next week. The lift station should be on-line within 2 weeks.

Lents explained there was an error made in the cost for the Portersville lift station upgrade reported at the October 17, 2005 Board meeting. He said he inadvertently added in the cost for only 1 pump instead of 2 pumps, as needed for the project. The not to exceed cost of the Portersville lift station upgrade should have been \$67,418.00, instead of \$56,063.00.

Ed Kreilein made a motion to approve an increase in cost of \$11,355.00 for the Portersville lift station upgrade, due to the omission. Mike Schwenk seconded the motion. Motion approved, 7-0.

EARLY WARNING SIRENS (B-102)

Tom Lents reported that Police Chief Rick Gunselman has requested approval to mount early warning sirens at the Portersville lift station and the Co. Rd. 400 West lift station.

Lents said he doesn't have a problem with it.

Ken Sendelweck made a motion to allow Police Chief Rick Gunselman to mount early warning sirens at the Portersville lift station and the Co. Rd. 400 West lift station. Mike Schwenk seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (B-125)

Ed Kreilein, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

DECLARE METER READING PICKUP AS SURPLUS PROPERTY (B-126)

Ken Schultz asked for Board approval to declare a meter reading pickup as surplus property. Schultz explained the truck is a 1992 Chevy S-10 with 81,500 miles.

Schultz also asked for Board approval to donate the pickup to the Stormwater Department.

Alex Emmons made a motion to declare the 1992 Chevy S-10 pickup as surplus property, with the intent of donating it to the Stormwater Department. Mike Harder seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (B-171)

Ken Sendelweck reported the Finance Committee had met and reviewed the claims on the Claim Docket.

Also presented was a claim on behalf of Harrison & Moberly, LLP in the amount of \$2,508.50, representing legal services relating to the Titan litigation issue for the Wastewater Project. SRF and BIF funds have been exhausted; therefore after Utility Service Board approval the above referenced claims will be paid from Wastewater funds.

The Finance Committee recommended approval of the claims as presented.

Jeff Theising made a motion to approve the claims as presented. Mike Schwenk seconded the motion. Motion approved, 7-0.

There being no further business to come before the Board, the meeting was adjourned at 8:12 PM upon motion by Alex Emmons and second by Jeff Theising. Motion approved, 7-0.

Attest: _____
Secretary Chairman